

MOST-FAVORED-NATION TREATMENT IN CUSTOMS MATTERS

Exchange of notes at Caracas May 12, 1938

Entered into force May 12, 1938

*Extended by agreement of May 9, 1939*¹

*Supplanted December 16, 1939, by *modus vivendi* of November 6, 1939*²

52 Stat. 1493; Executive Agreement Series 122

*The American Chargé d'Affaires ad interim to the Minister
of Foreign Affairs*

LEGATION OF THE UNITED STATES OF AMERICA

Caracas, May 12, 1938

No. 351

EXCELLENCY:

For the purpose of formalizing the result of the conversations which I have had with Your Excellency I have the honor to inform you that the Government of the United States of America is disposed, pending the conclusion of the reciprocal trade agreement which the two Governments have under consideration, to regulate the commercial relations between the two countries by a *modus vivendi* on the basis of the application of the most-favored-nation principle, in conformity with the following articles:

Article I. Both Governments agree to concede reciprocally unconditional and unlimited most-favored-nation treatment in all that concerns customs duties and all accessory imposts, the manner of applying duties as well as the rules and formalities to which customs operations can be submitted.

Article II. The provisions of the foregoing article shall not apply:

¹ 53 Stat. 2344; EAS 148.

² A *modus vivendi* in the form of an exchange of notes between the American Ambassador and the Minister of Foreign Affairs was signed at Caracas Nov. 6, 1939 (for text, see 54 Stat. 2375 or p. 2 of EAS 180). The provisions of arts. I–XVIII, inclusive, and the two annexed schedules of the *modus vivendi* are identical with the corresponding articles and schedules of a definitive agreement signed at Caracas on the same day (EAS 180, *post*, p. 1141). The *modus vivendi*, according to the terms of art. XIX thereof, entered into force Dec. 16, 1939, supplanted the agreement of May 12, 1938 (EAS 122), as extended, and terminated upon entry into force of the definitive agreement.

1. To the advantages now accorded or which may hereafter be accorded by the United States of America or by the United States of Venezuela to adjacent countries in order to facilitate frontier traffic; nor shall it apply to advantages resulting from customs unions to which the United States of America or the United States of Venezuela may become a party.

2. To the advantages now accorded or which may hereafter be accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another or to the Republic of Cuba. The provisions of this paragraph shall continue to apply in respect of any advantages now or hereafter accorded by the United States of America, its territories or possessions or the Panama Canal Zone to one another irrespective of any change in the political status of any territory or possession of the United States of America.

3. To articles transhipped through Puerto Rico or the Virgin Islands and imported into Venezuela.

Article III. The present agreement shall come into force on this date and shall remain in force for a period of one year or until superseded by a more comprehensive commercial agreement or until denounced by either country by advance written notice of not less than thirty days.

Accept, Excellency, the renewed assurances of my highest consideration.

DANIEL M. BRADDOCK
Chargé d'Affaires ad interim

His Excellency Dr. E. GIL BORGES,
Minister for Foreign Affairs,
Caracas.

The Minister of Foreign Affairs to the American Chargé d'Affaires ad interim

[TRANSLATION]

UNITED STATES OF VENEZUELA
MINISTRY FOR FOREIGN AFFAIRS

BUREAU OF ECONOMIC POLICY
No. 2264
Economic Section

CARACAS, May 12, 1938

MR. CHARGÉ D'AFFAIRES:

For the purpose of formalizing the result of the conversations which I have had with Your Honor, I have the honor to inform you that the Government of Venezuela is disposed, pending the conclusion of the reciprocal trade agreement which the two Governments have under consideration, to regulate the commercial relations between the two countries by a *modus vivendi* on the basis of the application of the most-favored-nation principle, in conformity with the following articles:

[For text of articles, see U.S. note, above.]

I beg Your Honor to accept the assurances of my very distinguished consideration.

E. GIL BORGES

To the Honorable Mr. DANIEL M. BRADDOCK,
Chargé d'Affaires ad interim
of the United States of America,
City.